

Message Text

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PAGE 01 TORONT 02989 092035Z
ACTION EUR-12

INFO OCT-01 ISO-00 EB-08 COME-00 TRSE-00 INT-05 GSA-02
AF-10 SIL-01 LAB-04 CIAE-00 DODE-00 INR-07
NSAE-00 PA-02 USIA-15 PRS-01 SP-02 PM-05 NSC-05
SS-15 FEA-01 OES-07 FRB-01 CEA-01 OMB-01 OPIC-06
XMB-04 /116 W

-----127515 100930Z /20

R 091922Z DEC 77
FM AMCONSUL TORONTO
TO SECSTATE WASHDC 6680
INFO AMEMBASSY OTTAWA
AMCONSUL WINNIPGE

UNCLAS TORONTO 2989

E.O. 11652: N/A
TAGS: EMIN, ELAB, PLOS, CA
SUBJ: ADDITIONAL LAYOFFS IN CANADIAN NICKEL INDUSTRY ANNOUNCED

REF: TORONTO 2637

1. LESS THAN TWO MONTHS AFTER INCO LTD. ANNOUNCED ELIMINATION OF SOME 2800 JOBS IN SUDBURY AREA, FALCONBRIDGE NICKEL MINES LTD. HAS ANNOUNCED THAT IT WILL CUT 750 JOBS IN SUDBURY BY END OF MARCH 1978, ON TOP OF 435 CUTS ALREADY MADE THIS YEAR. CUTBACKS MADE IN RESPONSE TO SOFT NICKEL MARKETS WHICH HAVE LED TO CANADIAN DOLS 14.3 MILLION LOSS IN FIRST THREE QUARTERS OF 1977 FOR FALCONBRIDGE.

2. IN PARLIAMENT, FEDERAL ENERGY MINISTER GILLESPIE SUGGESTED THAT ONTARIO RELAX ITS POLLUTION CONTROL STANDARDS FOR MINING INDUSTRY AND REDUCE ROYALTY AND/OR CORPORATE TAXES. IN PROVINCIAL LEGISLATURE, PREMIER DAVIS SAID PROVINCIAL GOVERNMENT CANNOT SOLVE PROBLEM WHICH IS RESULT OF WORLD MARKET CONDITIONS, BUT AGREED THAT SELECT COMMITTEE APPOINTED TO LOOK INTO SITUATION SHOULD BE ALLOWED TO STUDY FALCONBRIDGE CASE. DAVIS REJECTED
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NDP SUGGESTION THAT PROVINCE REQUIRE FALCONBRIDGE TO MAINTAIN ONTARIO JOBS BY USING PROFITS FROM WORLDWIDE OPERATIONS.

3. COMMENT: ECONOMIC OUTLOOK IN SUDBURY BASIN CLEARLY SERIOUS AND CAN BE EXPECTED TO STRENGTHEN FEDERAL AND PROVINCIAL NDP GRIP ON THE AREA.
DIGGINS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NICKEL, INDUSTRY
Control Number: n/a
Copy: SINGLE
Sent Date: 09-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TORONT02989
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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ISecure: 1
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Litigation Codes:
Litigation History:
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